

# The State of Local SEO Industry Report 2019





Local search marketing connects your business to real-world communities. It's a bridge to the places where consumers live, work, and make most of their purchases.

And there's more competition than ever.

Today's local marketers have more questions than answers. Is Google stealing our traffic? How can we compete against giants like Amazon?

This report is a window into the industry. Bring these statistics to teammates and clients to earn the buy-in you need to effectively reach consumers.

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# High-Level Takeaways



# 1.

## Local search marketers must be versatile to succeed

Local search is a broad field that's constantly growing and changing, challenging marketers to keep up. No matter what kind of company they work for, today's marketers need both the big picture — relating to customers in the real world — as well as little details like questions submitted on a Google Knowledge Panel.



# 2.

## Clients don't understand local search

Today's marketers need more than great tactics; they need to learn to be great communicators. Getting clients on board with strategies is difficult when they don't fully understand the goals and metrics, and teaching them is getting harder as the SERPs become more complex.



# 3.

## Local marketing is about more than just search

With a lack of serious competition for Google and an increasing presence of paid results, local search marketers are broadening the scope of their work. SERPs will always be important, but marketers are now also focusing on alternative platforms like email, word-of-mouth, and real-world community building. With all local businesses focused intently on Google, the ability to see other marketing opportunities can make companies stand out.





# The State of the Industry

Rankings, search engines, and SERP features

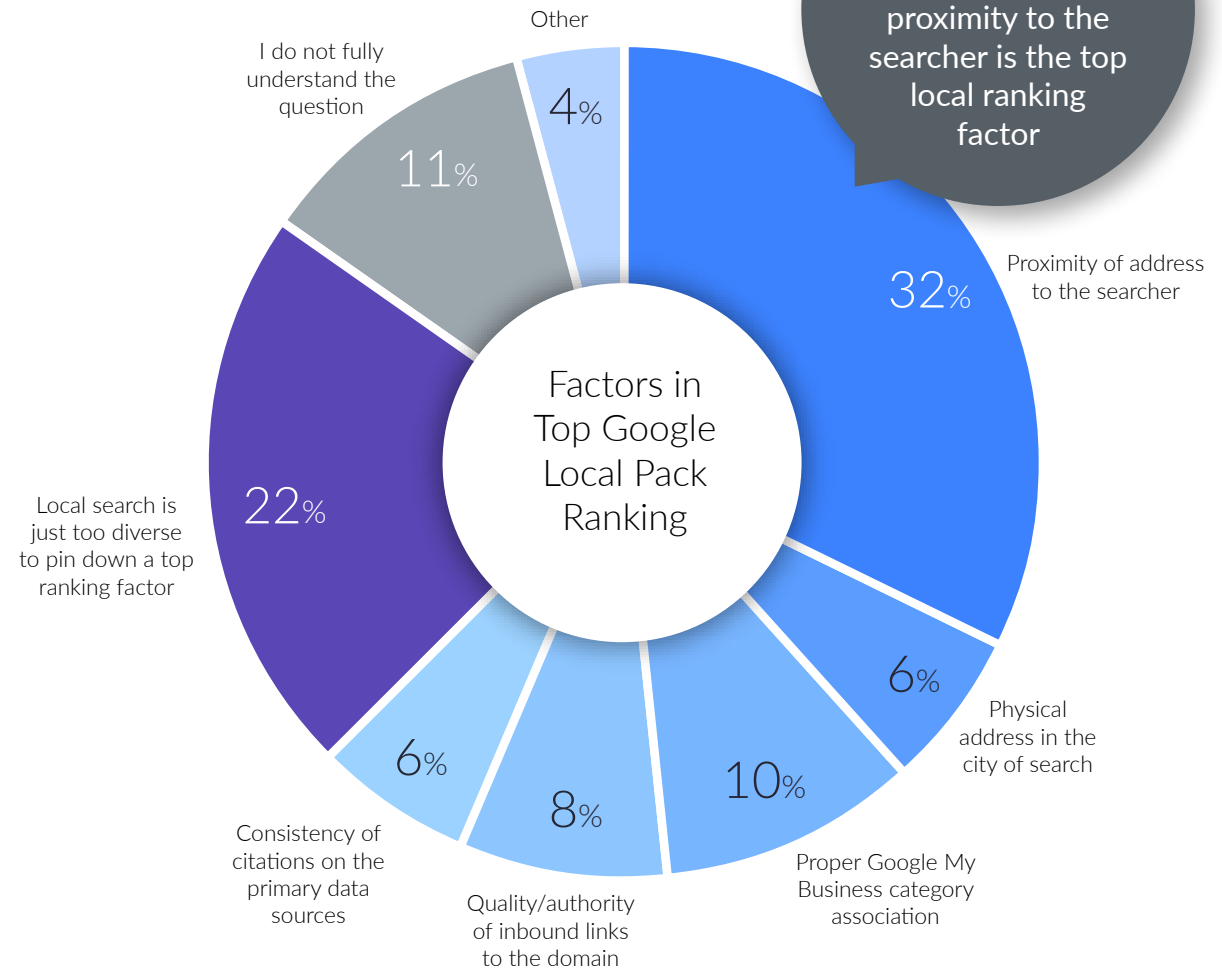


# Proximity matters most to local rankings

How close searchers are to particular businesses at the moment they search significantly impacts whether those businesses show up in Google search results. Unfortunately, short of moving a store to a more populated area, this isn't a factor companies can control.

Also, 22% of respondents find local rankings too complex to name a dominant factor. This shows demand for more case studies and experiments.

**Q** Right now, the top Google local pack ranking factor I'm observing is:

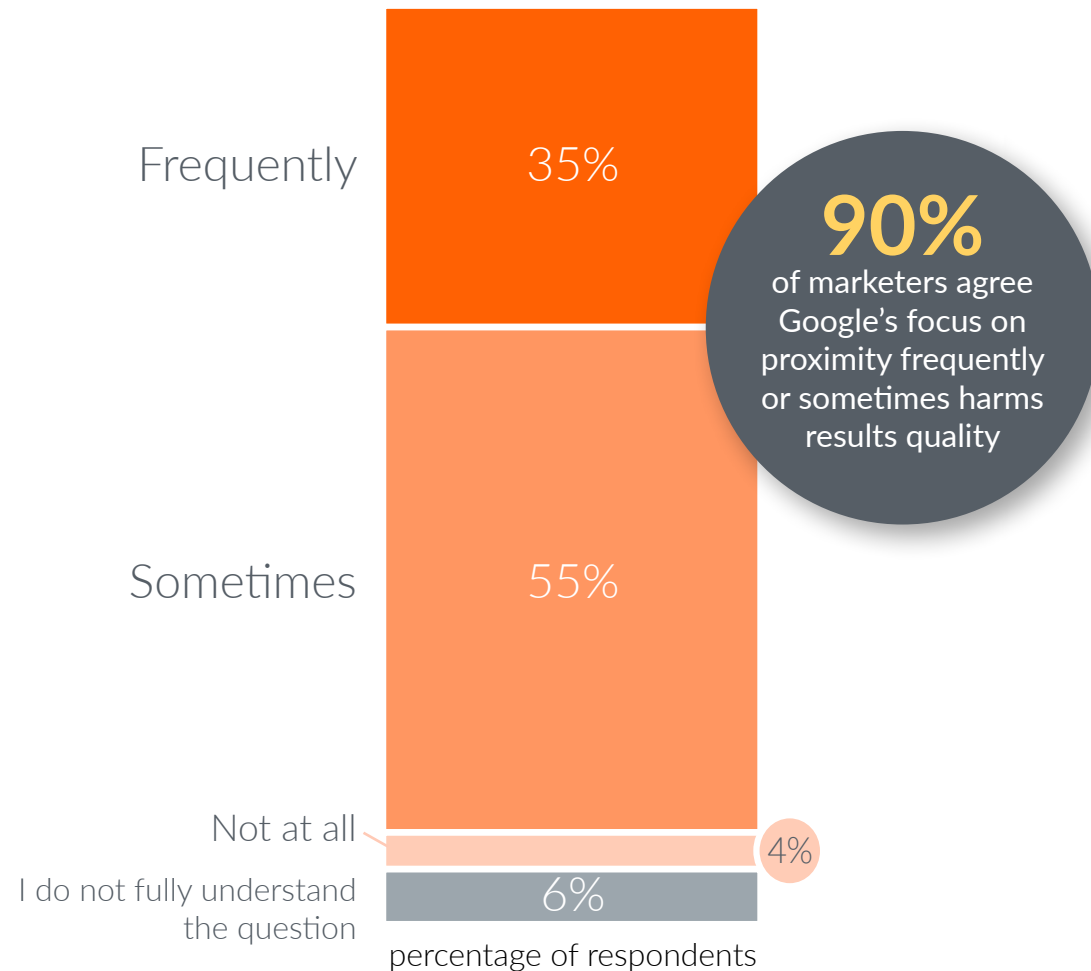


# Nearby results can be terrible experiences for searchers

When someone searches for pizza, they might travel a little farther for a higher-rated slice. With Google's emphasis on proximity, though, the top results often favor location over quality. The majority of marketers are seeing poor-quality businesses outranking better ones simply because of their physical proximity to searchers.

The ball is in Google's court to correct a clear overemphasis on location for the sake of improving searcher experience.

**Q** I feel that Google's emphasis on searcher proximity is generating results that favor closeness over quality:



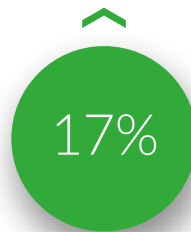
# The August 1st update? No big deal.

Despite all the coverage it got, the majority of surveyed marketers observed no impacts on their clients from Google's August 1st update. A full quarter of respondents were unaware that an update had even occurred.

When marketers did see impact, more positive effects (17%) were felt than negative ones (12%).

**Q** | Has the August 1 Google search algorithm update impacted the local business(es) you're marketing?

Positively



Negatively



Not at all



What algorithm update?

?



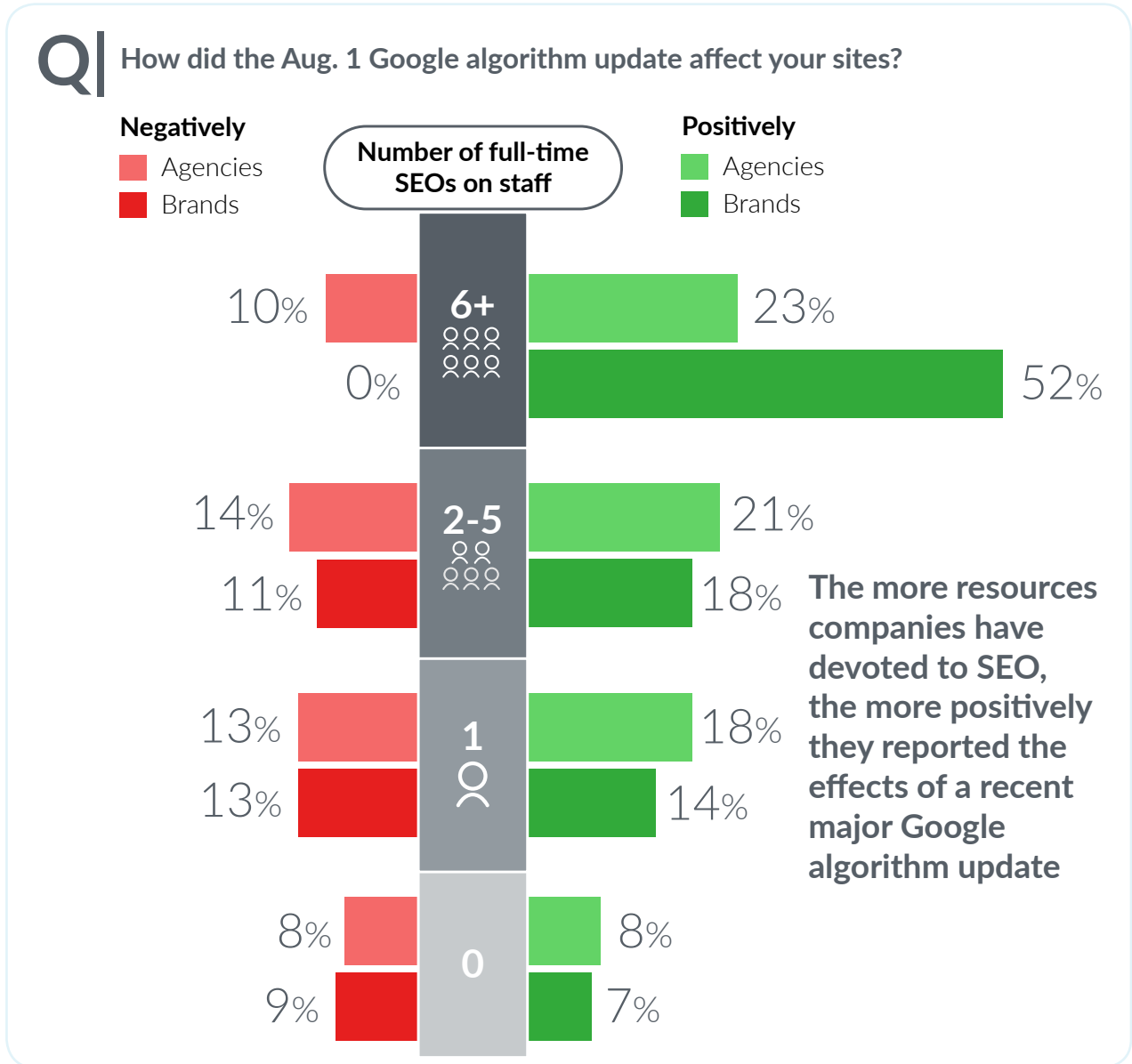
**46%**

of surveyed marketers say the August 1st update didn't affect them at all

# Investment in SEO pays off

Marketers who don't know much about SEO are often skeptical of its value, so statistics like this are reassuring. The more people devoted full-time to SEO, the better the observed results of the August 1st algorithm update. This was true for both in-house marketers and agencies.

It's also worth noting that this wasn't skewed by the size of the company; larger companies reported similar results as smaller companies.

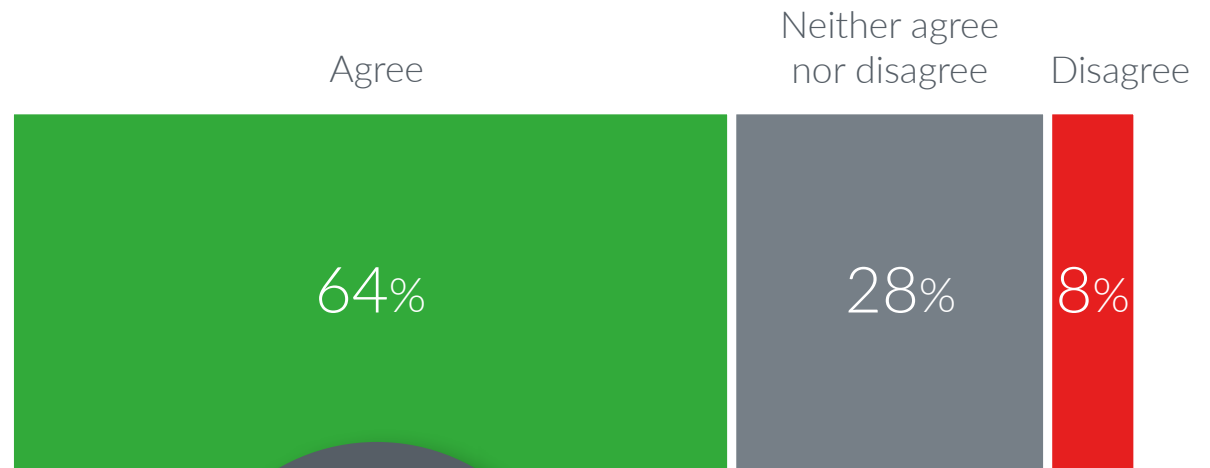


# Google is becoming your new “homepage”

Google now displays more information and enables transactional activity within their own interface, so searchers increasingly have no need to click through to a local business’s website. There’s strong agreement that these efforts are impacting local businesses.

Websites still matter, of course, but local businesses now need to place priority on managing all elements of their Google presence, including Knowledge Panel features like business information, reviews, Posts, photos, Q&A, and more.

**Q** I agree/disagree that Google is becoming the new “homepage” for local businesses:



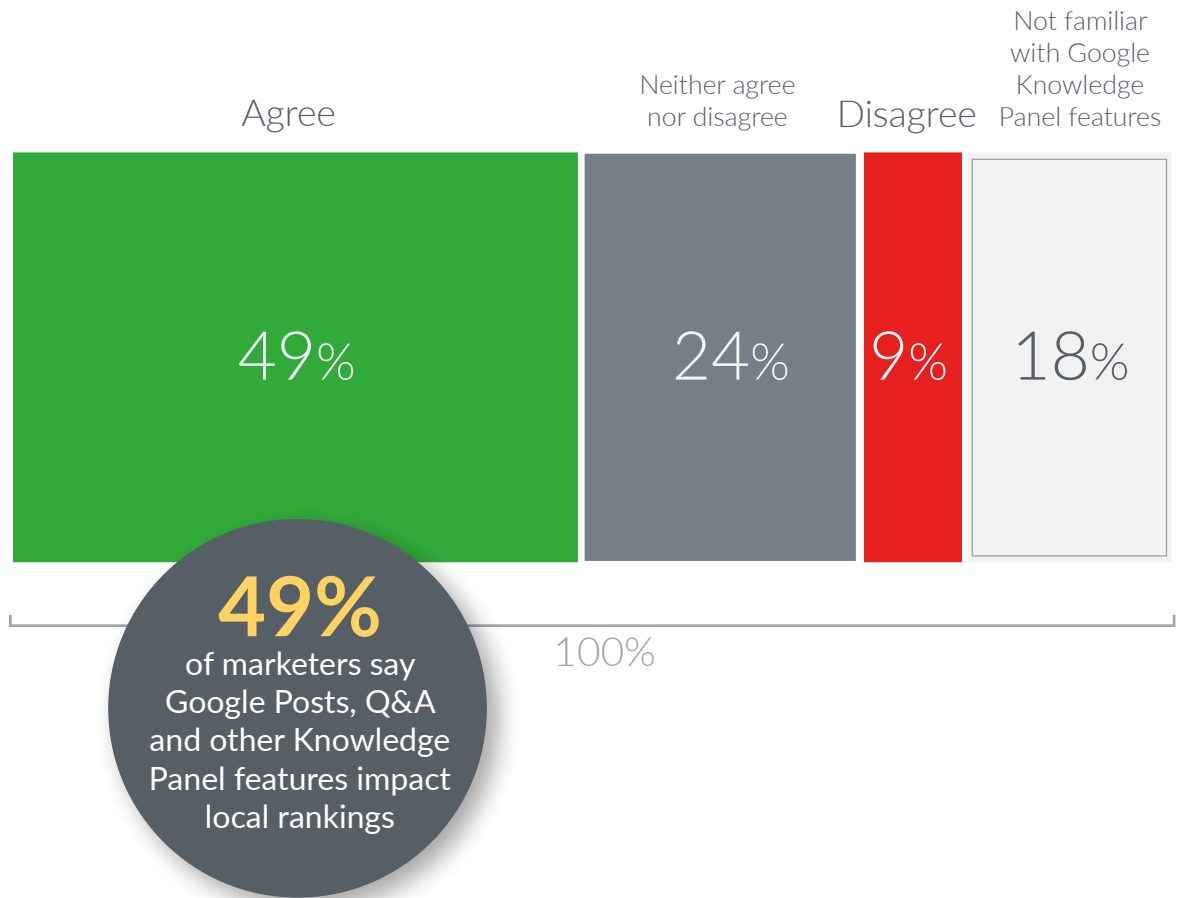
**64%**  
of marketers agree that Google is becoming the new local business “homepage.”

# Local businesses are using Google Knowledge Panel to affect rankings

About half of marketers are using Google Knowledge panel features like Posts and Q&A to affect their rankings; the other half of the spectrum aren't taking advantage of this opportunity to increase exposure.

About a quarter of respondents could neither agree nor disagree about the effects of these relatively new features and many were simply unfamiliar with them. This suggests many companies are leaving ranking opportunity on the table.

**Q** I believe that use of other Google Knowledge Panel Features, like Posts and Q&A, impacts local pack rankings:



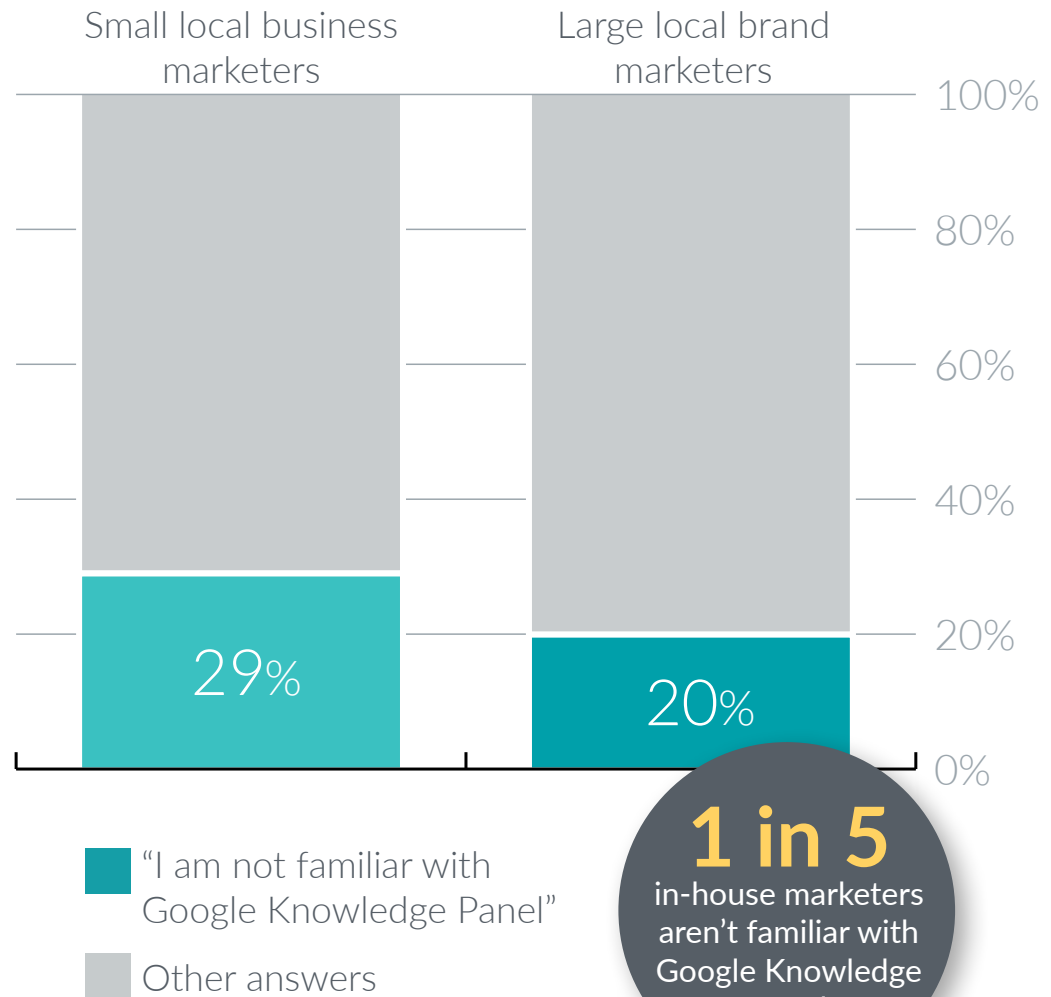
# Marketers still don't understand Google Knowledge Panel

The Knowledge Panel shows up in search engines as a large card to the right of the rest of the results. It's present on roughly 40% of searches these days\* and is especially prevalent in local search results. This is where a business's hours, address, phone number, and more show up, so anyone working in local SEO needs to know how to use it to help searchers find their business.

When asked a question about the Google Knowledge Panel, 1 in 5 in-house marketers reported they weren't familiar with the feature.

\*Reference: <https://moz.com/mozcast/features>

## Q | How familiar are you with Google Knowledge Panel?



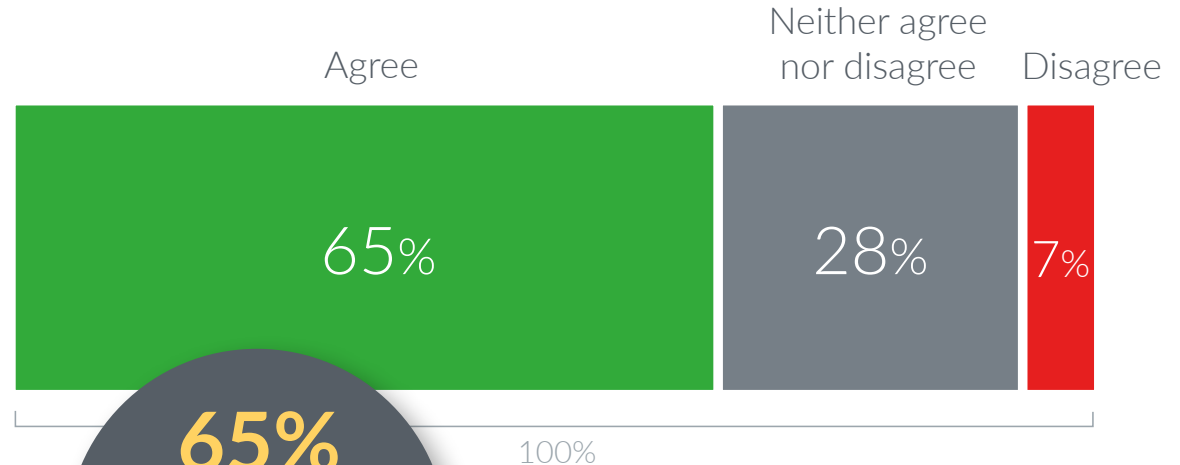
**1 in 5**  
in-house marketers aren't familiar with Google Knowledge Panel

# Organic and local rankings are related

Don't buy into the narrative that reduced organic traffic means local businesses don't need websites. The majority of marketers report that brands with high visibility in local SERP features have high organic placement, too.

Google may be becoming the new "homepage" for local businesses, but it's the organic authority of companies' own websites that supports local rank.

**Q** Organic rankings still show a strong correlation with local pack presence/inclusion/rankings:



**65%**  
of marketers still agree there's close correlation between local and organic rank

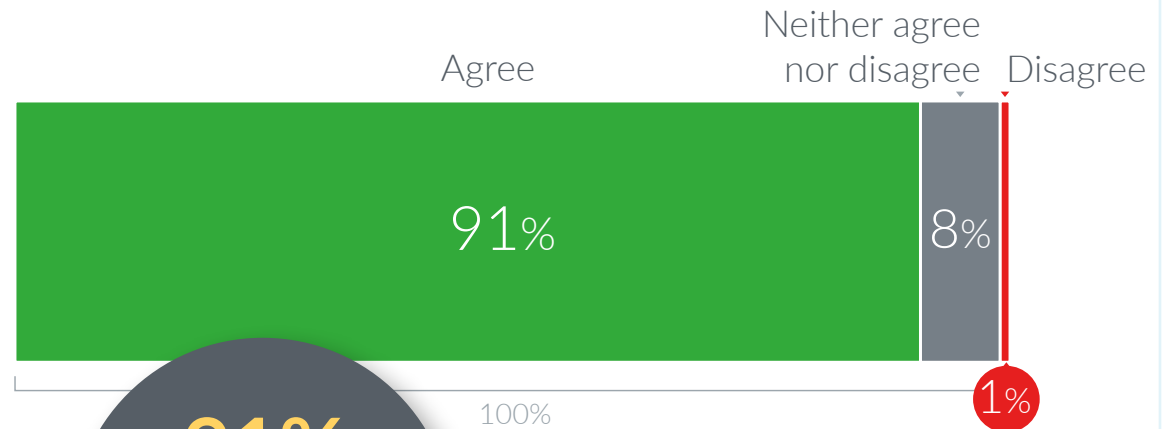


# Reviews impact local rankings

There's overwhelming agreement (91%) that Google reviews impact Google local pack rankings.

While this statistic may come as no surprise, "reviews" need to be understood as a wide variety of nuanced signals, including ratings, positive/negative sentiment, recency, the presence of keywords in review text, and more. Local search marketers need to consider all aspects of reviews in their campaigns.

**Q** I believe aspects of reviews, including ratings, quality, positive/negative sentiment, presence of keywords, and/or recency can impact local pack rankings:



**91%**  
of marketers agree that aspects of reviews impact local rankings



# Local SEO Strategy

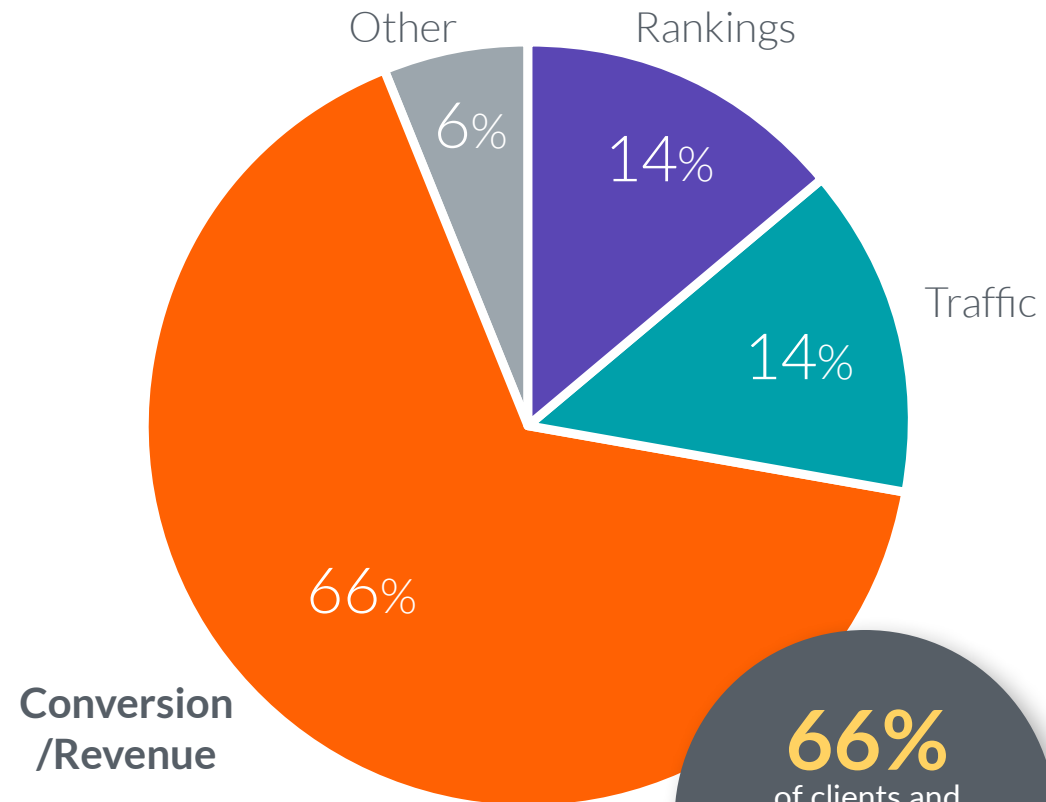
Goals, training, and defining/measuring success

# Businesses are now focused on conversions and revenue

Digital marketers may have taught clients to focus too much on rankings and traffic in the past, but that looks to have changed. 66% of clients and agencies now care most about conversions and revenue.

There's still work to do; nearly one-third of marketers are still prioritizing the journey (traffic and rankings) over the destination.

**Q** My company/most of my clients care most about:



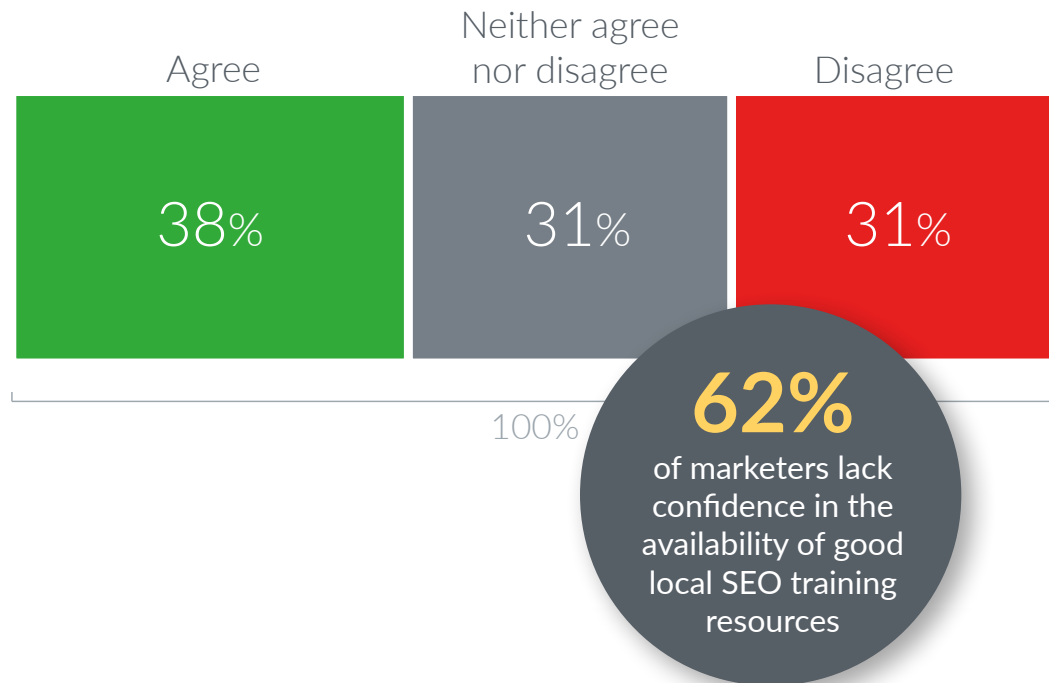
**66%**  
of clients and  
companies care most  
about conversions  
and revenue

# Great training isn't available for local SEO

Marketers know the value of training, and nearly two-thirds of them say they're not getting the high-quality training and resources they need to excel in local SEO.

Local search marketing experts need to do a better job at sharing knowledge, resources, and education with marketers.

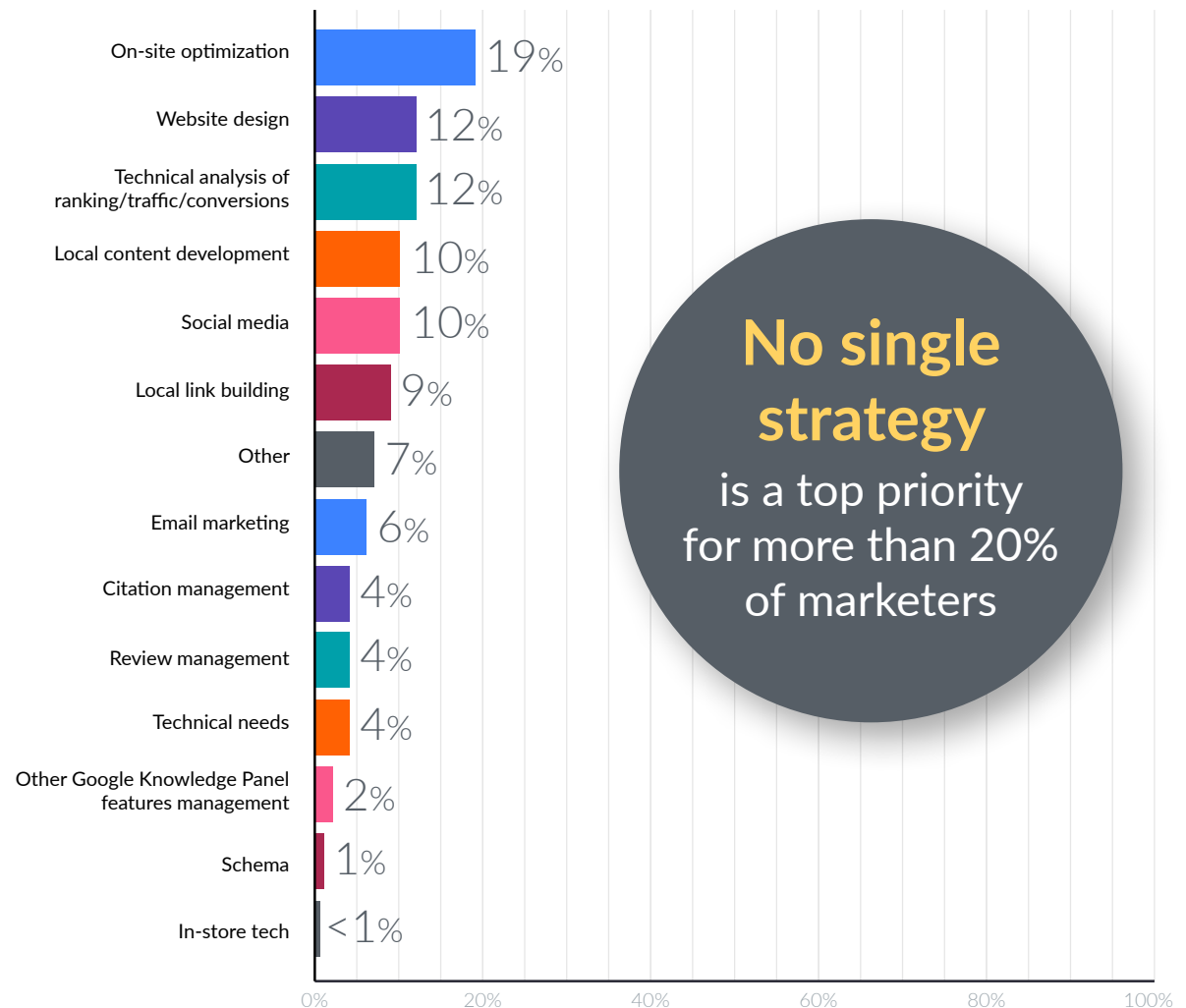
**Q** There are good local SEO training resources that I send my team and customer to:



# Top strategies are all over the map, lacking clear best practices

In a field where versatility is key to success, we see a remarkable spread of priorities for local marketers. Some tactics that are hyped, like in-store tech, have very few proponents, but even the #1 priority – on-site optimization – gets less than 20% of the votes. This paints a picture of an industry that marketers are still trying to understand, probing different strategies as they figure out what works.

**Q** In my day-to-day work, the one service my local business clients or company request the most help with right now is:



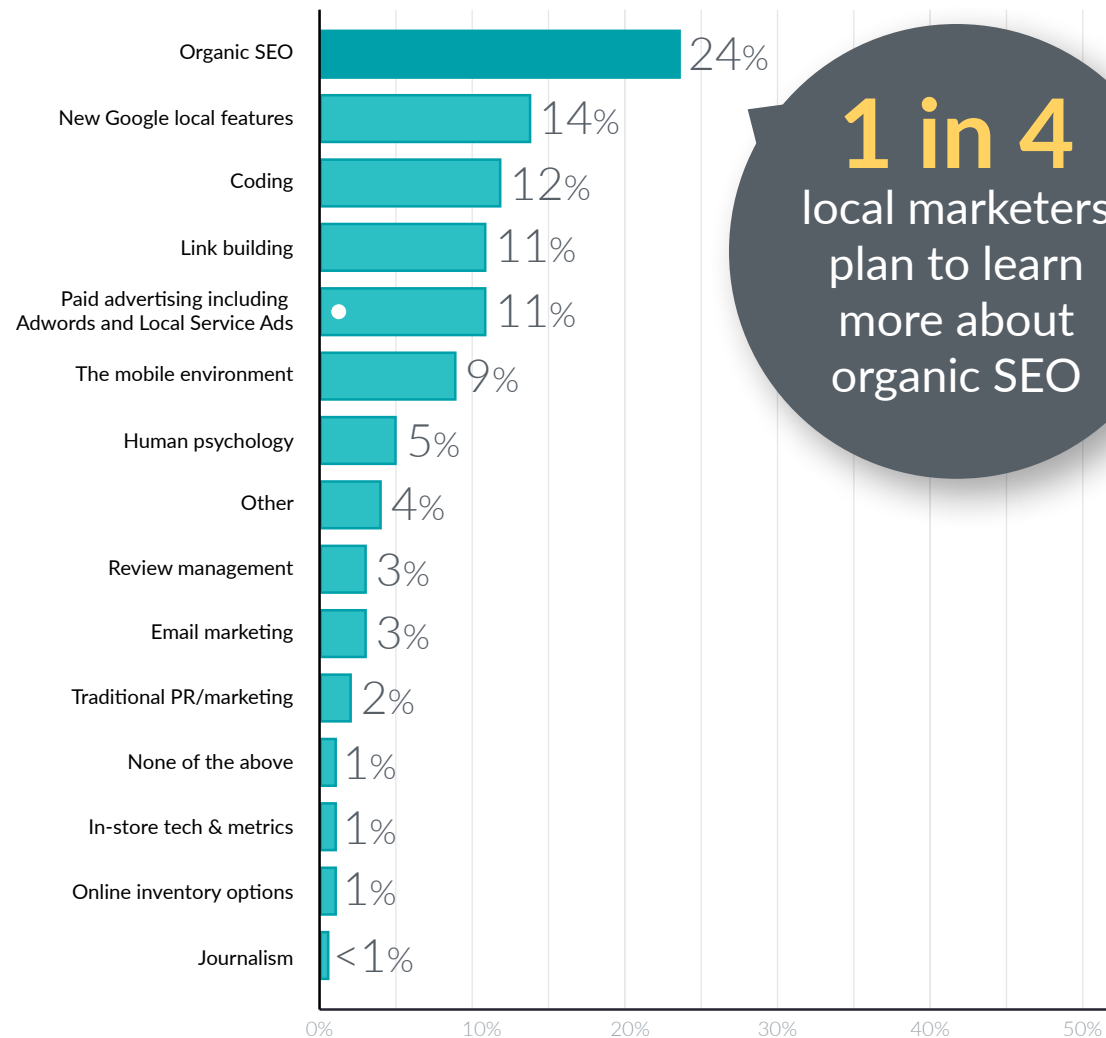
**No single strategy**  
is a top priority  
for more than 20%  
of marketers

# Local marketers plan to spend more of their own time diving into organic SEO

As Google becomes more of a homepage for local businesses, marketers are committed to leveling up their presence, learning about organic SEO and Google local features.

Paid ads were also a top mention, possibly in response to Google's Local Service Ads program and other pay-to-play local SERPs.

**Q** Based on my read of the local SEO industry, the one thing I'll be devoting more of my own time to studying in the next 12 months is:



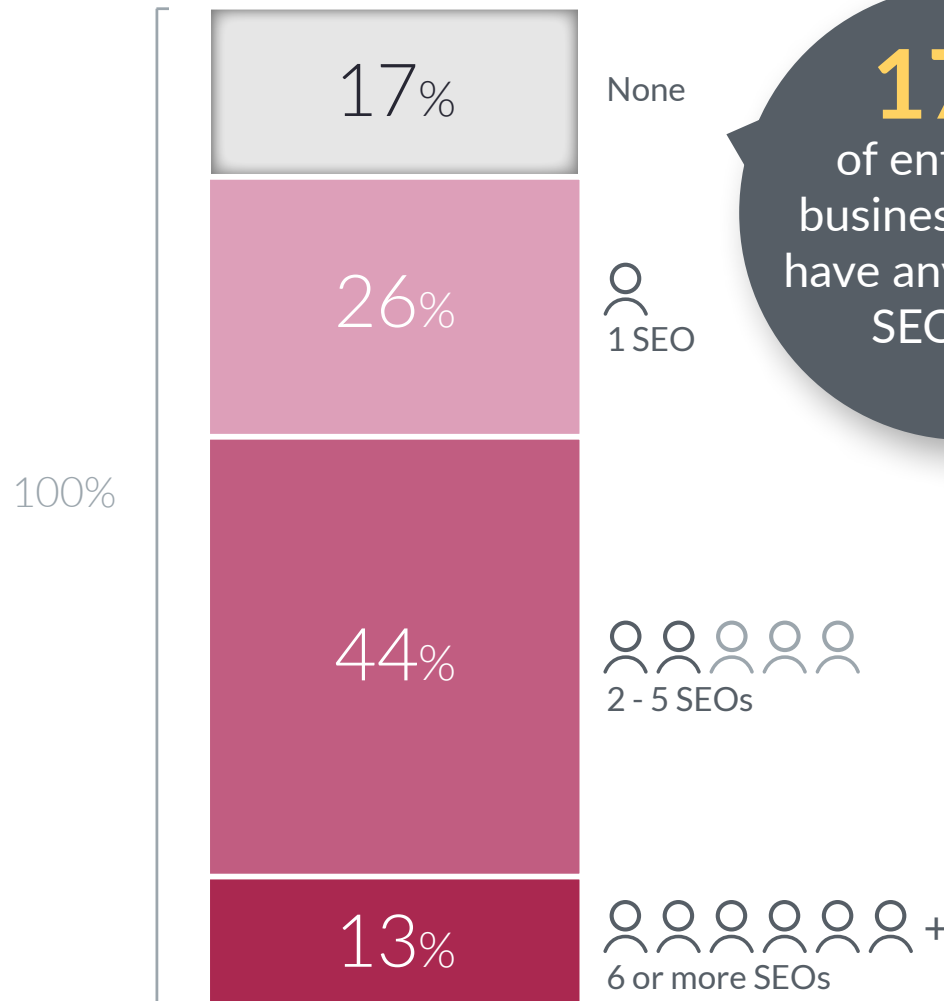
**1 in 4**  
local marketers  
plan to learn  
more about  
organic SEO

# Many enterprise businesses lack full-time SEO staff

SEO is a mission-critical function for effective marketing, and there are still many local businesses — even large ones — that are failing to fully incorporate its benefits into their strategies.

SEO is quickly evolving, and with local factors playing a role in traditional search results, local SEO is more important than ever.

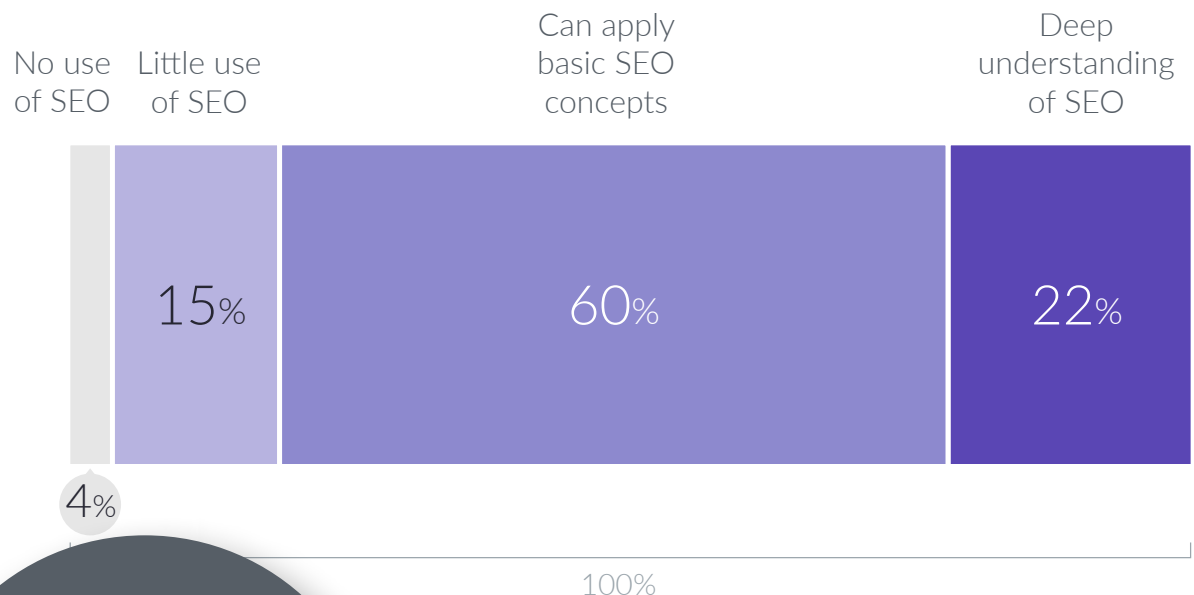
Number of full-time SEOs at enterprise brands (1,000+ Employees)



# Small businesses aren't taking full advantage of SEO

Even small local businesses can see outsized benefits with sufficient attention to their presence in search results. While many of them work with small marketing teams in more general roles, it's important that they include SEO in their tactics, and nearly one in five isn't applying the necessary resources.

## Q | Level of SEO proficiency reported by small business marketers



Nearly **20%** of in-house small business marketers report they make little to no use of SEO in their efforts

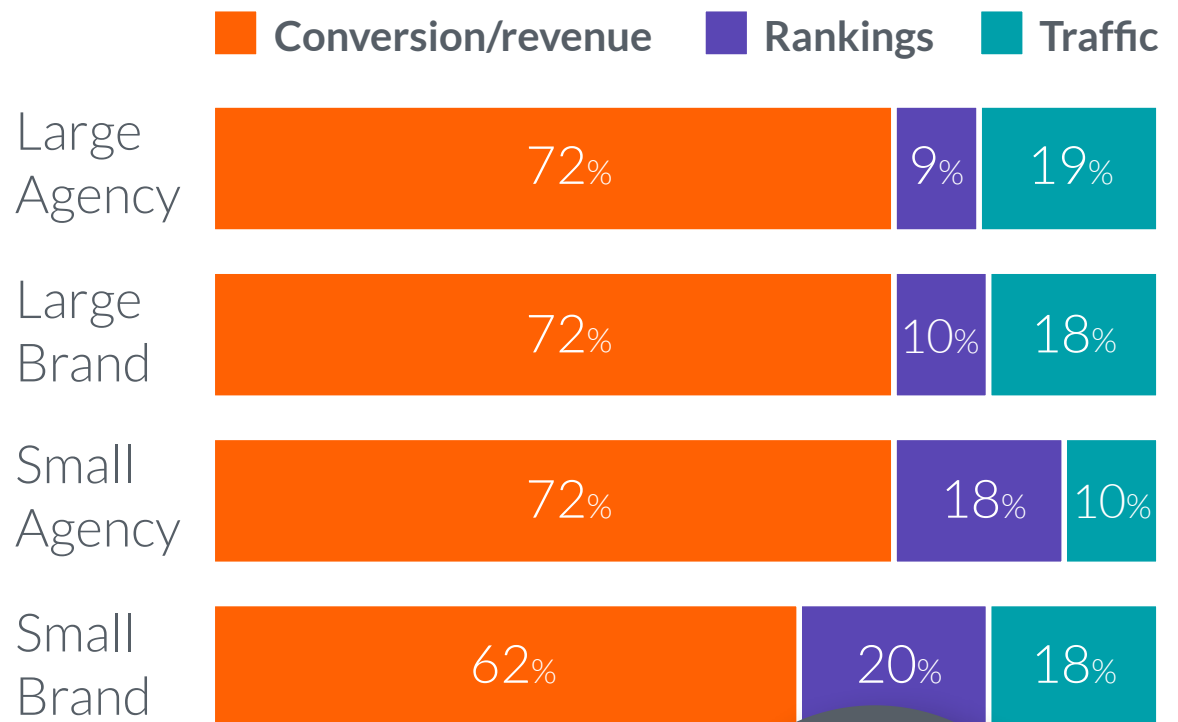


# Small businesses are more likely to take a short-sighted approach

It's good to see that most companies are prioritizing revenue and conversions over rankings. Showing up prominently in search results is important, but it's a means to an end, and prioritizing rankings above all else signals a short-sighted approach.

With that said, nearly twice as many small businesses fall prey to that line of thinking as larger companies. This signals a lot of opportunity in educating small businesses about the best approaches to SEO.

**Q** Do marketers' companies/clients care most about conversion/revenue, rankings, or traffic?



**20%**  
of small businesses  
see rankings as their  
highest priority



# Local SEO Tactics

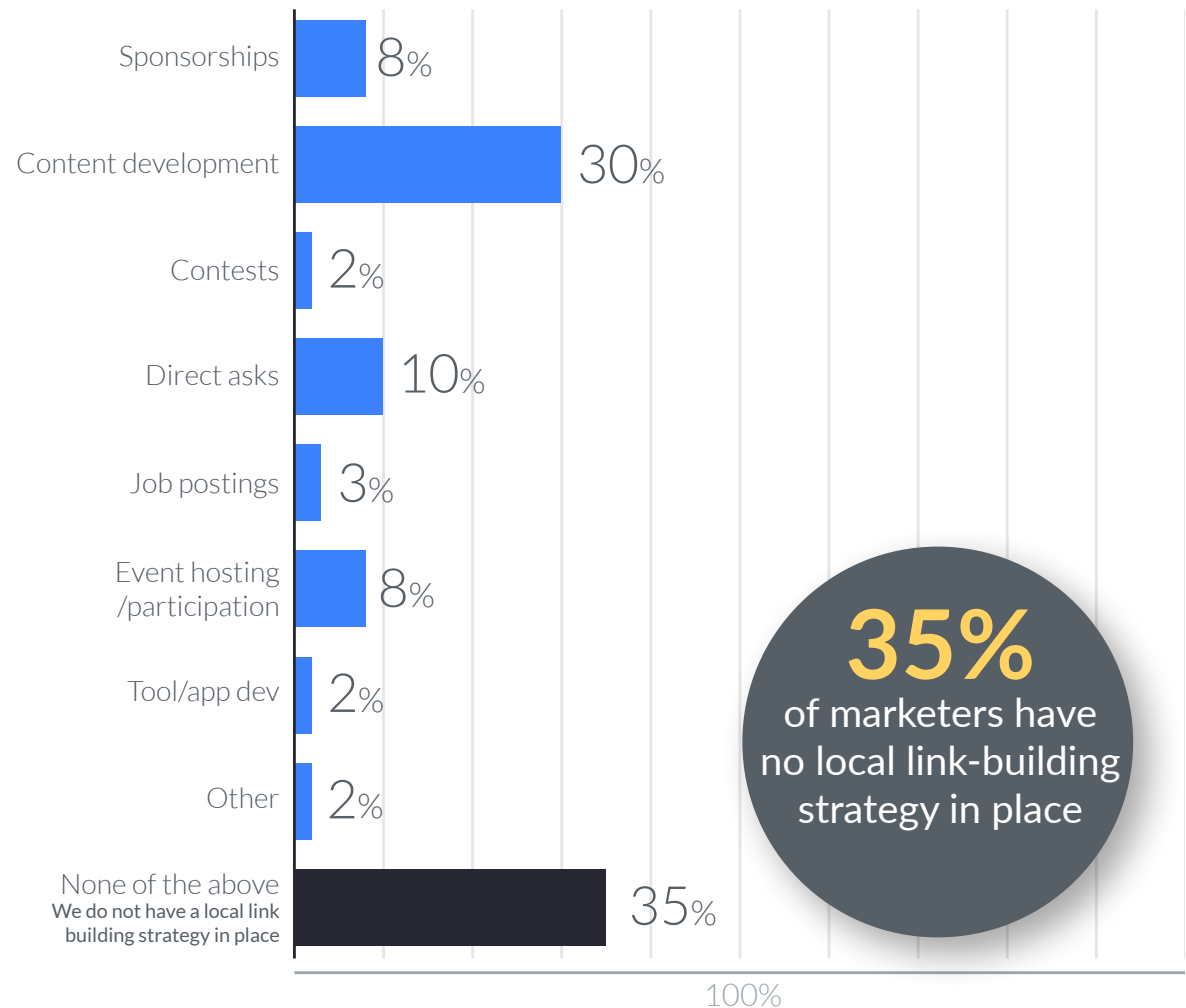
Areas of emphasis (and areas lacking emphasis)

# Local businesses overlook link building

One third of marketers have no link-building strategy, giving up that competitive advantage. The authority of a domain is related to its ability to rank in local search, so link building should never be overlooked.

For those that do practice link building, content development and direct asks are their top tactics, with honorable mentions for sponsorships and event hosting/participation.

**Q** When it comes to amassing local links, the strategy I'm seeing having the best ROI right now is:

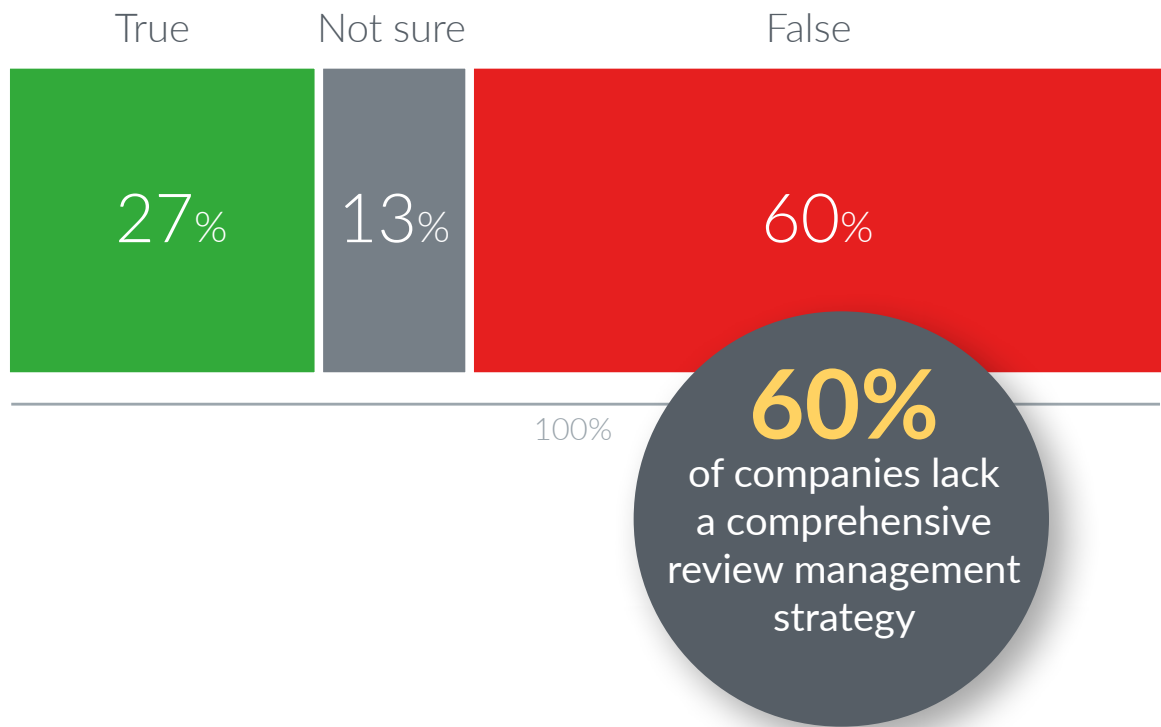


# The majority of businesses neglect review management

A comprehensive review management strategy involves acquiring, monitoring, and responding to reviews, as well as fighting spam and analyzing people's sentiment toward your brand. With a significant impact on rankings and an obvious impact on conversions, it's clear that more companies need to pay more attention to reviews.

Almost without exception, all local businesses should have review management at the center of their customer service programs.

**Q** My company or most of my clients have a complete review management structure in place, from acquisition, to response, to sentiment analysis.

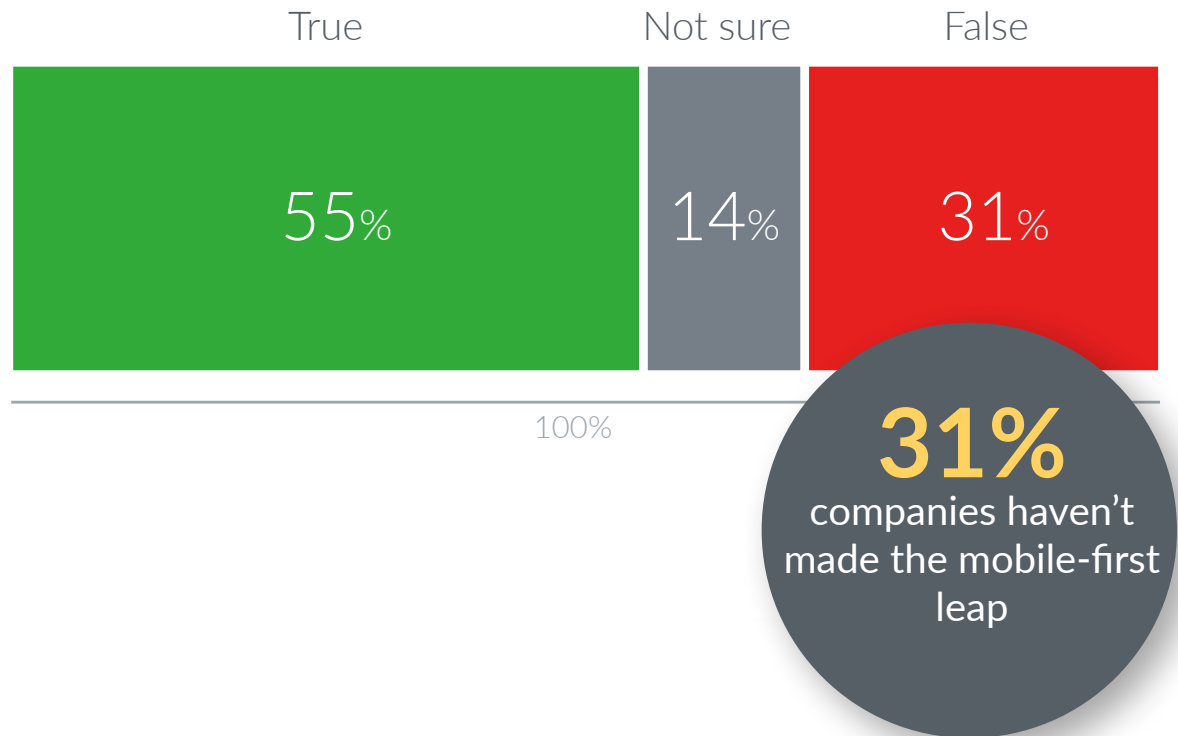


# Many companies are behind in the mobile-first curve

It's heartening to see 55% of marketers express confidence in the mobile-first status of their sites, but it's concerning that the other 45% lack that confidence.

Businesses of all sizes that haven't made the leap to serving mobile customers will be left behind. The industry has a lot of work to do in serving mobile customers.

**Q** My company/most of my clients are fully equipped for Google's mobile-first index.

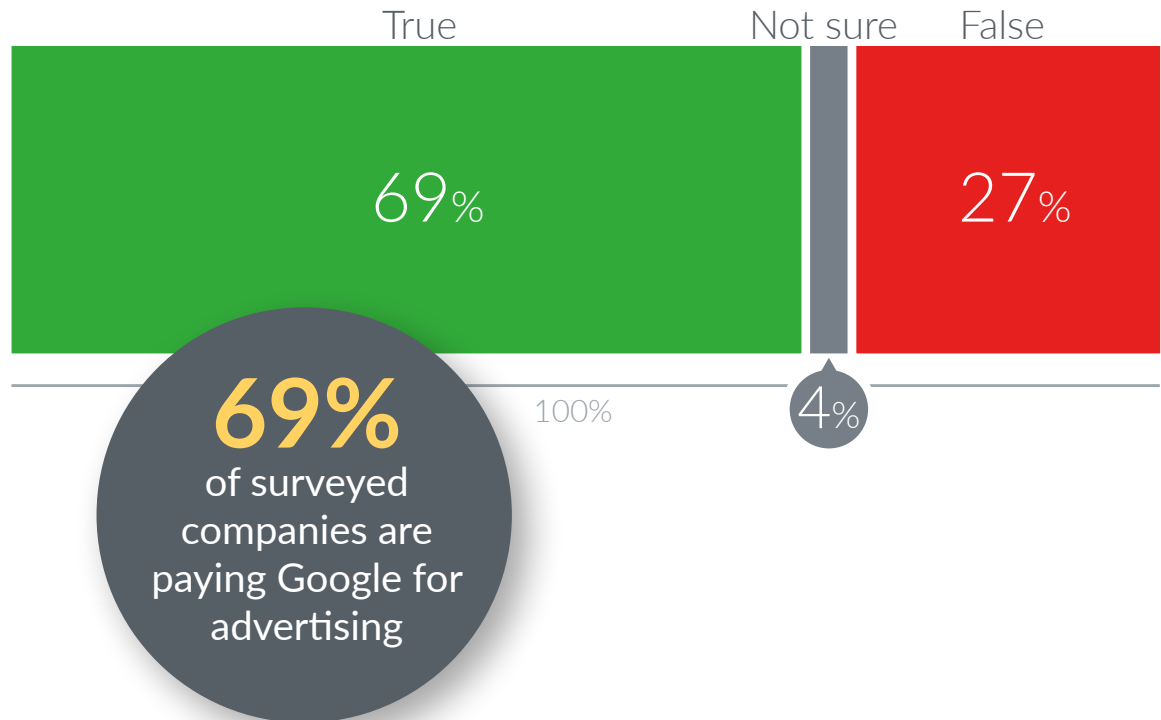


# Most companies are paying Google

Whether it's through Local Service Ads, Google Ads, or some other form of PPC, Google has pulled nearly seven in 10 companies into their paid advertising products.

By this time next year, the 27% who aren't paying for space may find themselves obliged to, given the steady spread of Google's LSA program.

**Q** My company/most of my clients are paying Google for online advertising or leads in the form of ads, Local Service Ads, etc.

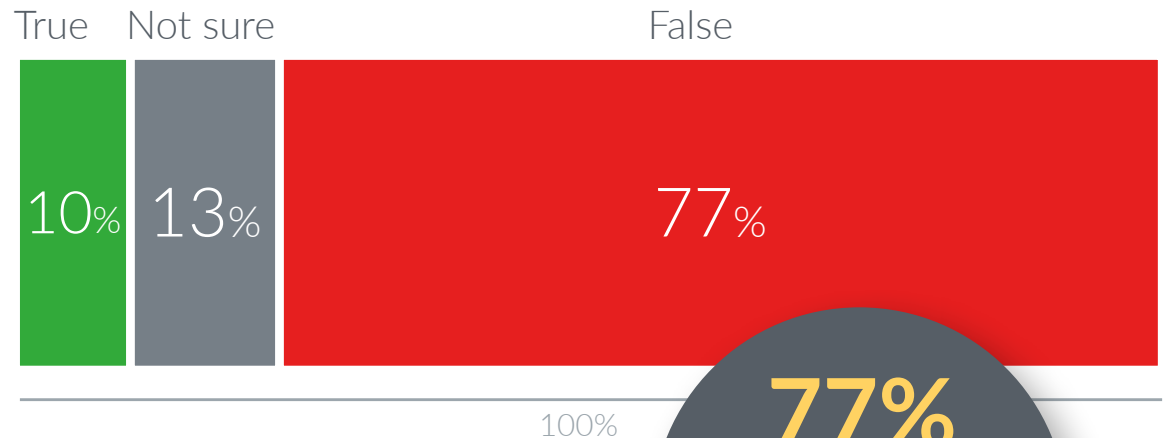


# Most businesses are ignoring in-store tech

Beacons, QR codes, in-store apps, sensors, and other forms of real-world tech have been heralded as the next big thing in digital marketing for several years. Still, only 10% of respondents are utilizing any of these technologies.

Disconnects like this beg the question: Are early adopters gaining a true advantage, or is the world of digital marketing sensationalizing solutions that few companies actually want?

**Q** My company/most of my clients are utilizing in-store tech, like beacons, sensors, in-store apps, QR codes, Wi-Fi analytics, visual analytics, etc.



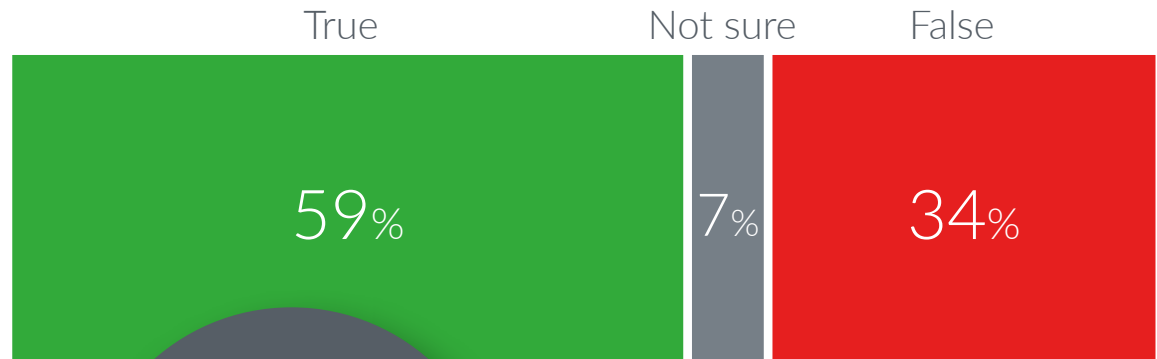
**77%**  
of companies  
have yet to adopt  
any form of  
in-store tech

# Email marketing is finally catching on

Email marketing is consistently rated as having one of the highest returns on investment for companies of all sizes. It's great to see this high rate of adoption.

However, with 41% of marketers either not implementing this strategy or unsure of whether their companies are doing so, we have a long way to go.

**Q** My company/most of my clients are regularly conducting email marketing.



**59%**  
of companies are  
now regularly  
conducting email  
marketing

100%

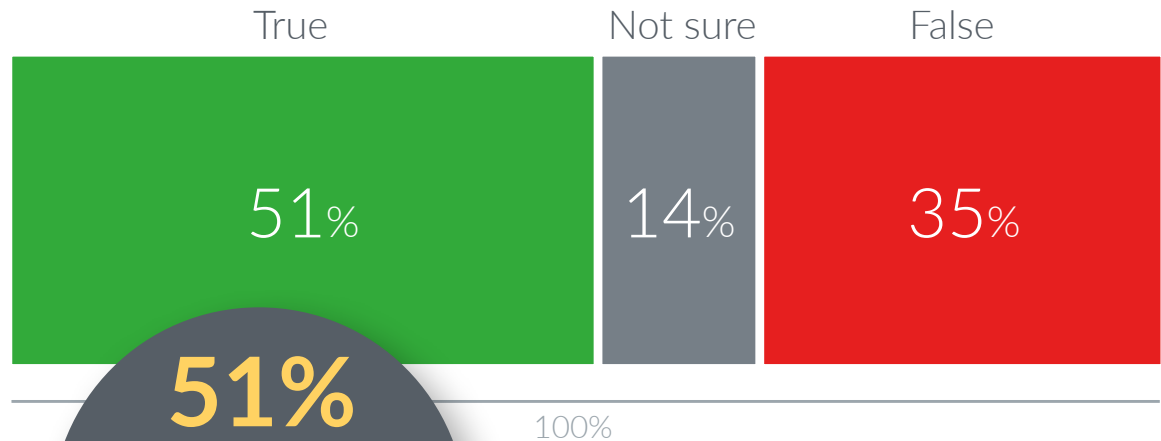


# Only half of businesses emphasize word-of-mouth and loyalty programs

It's important for local businesses of all sizes to find customer streams that aren't dependent on Google, so it's good to see more than half of respondents engaging in word-of-mouth and loyalty initiatives.

Again, though — nearly half of businesses are behind the curve on this strategy, risking an over-reliance on Google for their customer acquisitions and transactions.

**Q** My company/most of my clients are emphasizing offline word-of-mouth marketing and loyalty programs.



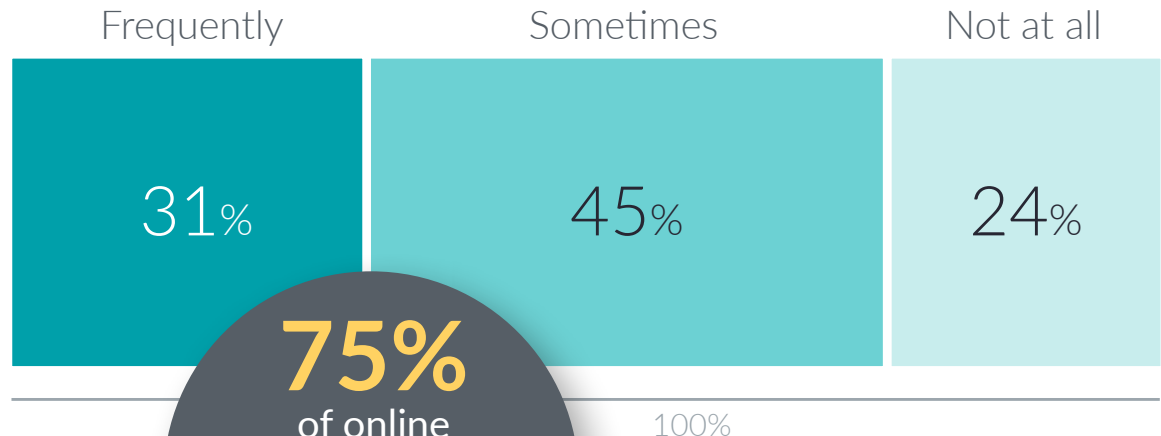
**51%**  
of companies are  
implementing  
word-of-mouth and  
loyalty programs

# Online marketers have stepped into the real world

Local search marketers have realized that it's the real-world, in-store experiences of their customers that form the foundations of success. These scenarios are then reflected on the web, where they can be supported and managed.

Because of this, it's good to see 75% of respondents contributing to offline strategies like in-store policies, service quality, and campaigns.

**Q** I find myself making recommendations about offline strategy, including structural, in-store business policies, service quality, or campaigns:

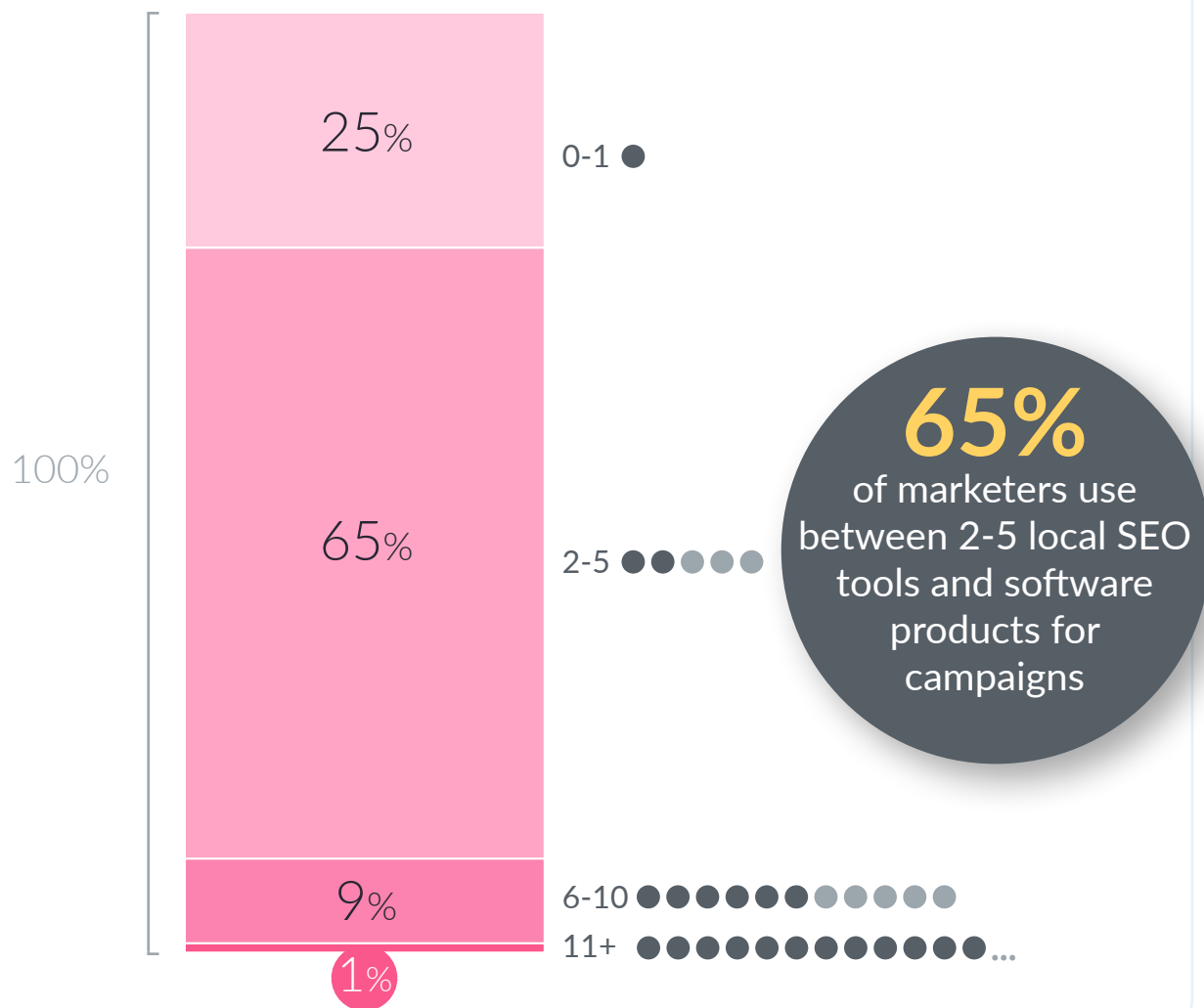


# Most local SEOs have tiny tool kits

Competition is stiff for developers of local SEO tools: The majority of marketers use no more than 5 products in their day-to-day work.

This number may signal that there simply aren't enough good products available for local search marketers, indicating an opportunity for new tools to fill the void.

**Q** I would estimate the number of local SEO tools/software products I use (vs. strictly manual work) would be:

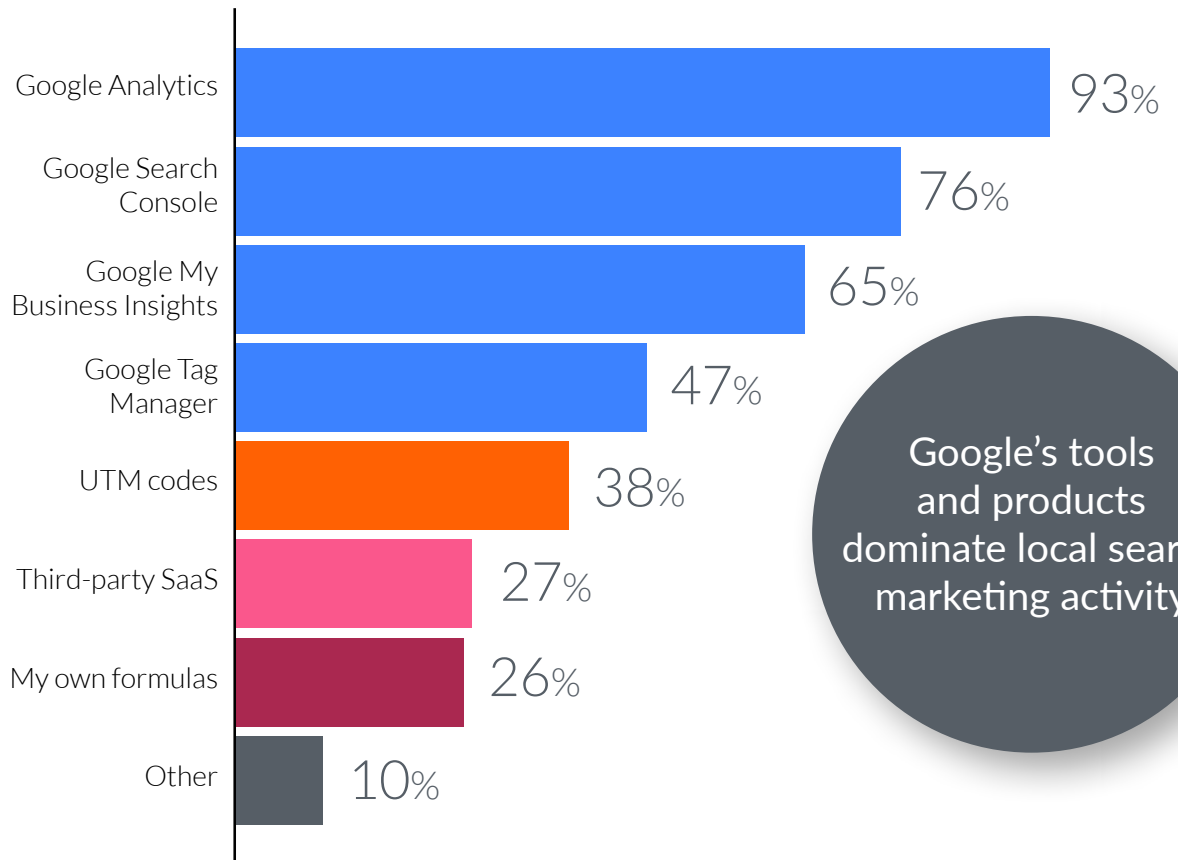


# Google tools rule the SEO roost

93% of respondents use Google Analytics, 76% use Google Search Console, 65% use Google My Business Insights, and 47% use Google Tag Manager -- the top four tools mentioned.

In 2018, Google still doesn't have a significant competitor in local marketing. They have successfully created not just the platform for customer journeys, but also the tools to analyze those journeys. In many ways, "local search" has become synonymous with "Google search."

**Q** I am using the following solutions for tracking, analysis, reporting, and determining ROI (check all that apply):



Google's tools and products dominate local search marketing activity

# Methodology

Moz surveyed 1400+ local marketers and asked them 30 questions about their work in the industry. Responses were analyzed individually, by marketer type (agency vs. in-house), by company size, and as a whole. The respondents represent a broad range of local marketers across industries, marketing job titles, and role level.



# About Moz



Moz is the leader in search engine optimization (SEO) technology and local search management. Founded in 2004 and headquartered in Seattle, Moz was the first company to bring together SEO experts to help marketers learn how to reach their customers in a more efficient way by improving their visibility in search results. For more information, please visit [www.moz.com](http://www.moz.com) and follow us at <https://twitter.com/moz>.

